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2D SESSION

H. R. 12605

IN THE SENATE OF THE UNITED STATES

JULY 11 (legislative day, MAY 17), 1978

Received; ordered to be placed on the calendar

AN ACT

To amend the Communications Act of 1934 to extend and improve the provisions of such Act relating to long-term financing for the Corporation for Public Broadcasting and relating to certain grant programs for public telecommunications, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That this Act may be cited as the "Public Telecommuni-
- 4 cations Financing Act of 1978".

1 TITLE I—CONSTRUCTION AND PLANNING OF
2 FACILITIES

3 DECLARATION OF PURPOSE

4 SEC. 101. Section 390 of the Communications Act of
5 1934 is amended to read as follows:

6 “DECLARATION OF PURPOSE

7 “SEC. 390. The purpose of this subpart is to assist
8 (through matching grants) in the planning and construction
9 of public telecommunications facilities in order to achieve the
10 following objectives: (1) extend delivery of public tele-
11 communications services to as many citizens of the United
12 States as possible by the most efficient and economical means,
13 including the use of broadcast and nonbroadcast technolo-
14 gies; (2) increase public telecommunications services and
15 facilities available to and owned by minorities and women;
16 and (3) strengthen the capability of existing public tele-
17 vision and radio stations to provide educational and cultural
18 services to the public.”.

19 AUTHORIZATION OF APPROPRIATIONS

20 SEC. 102. Section 391 of the Communications Act of
21 1934 is amended to read as follows:

22 “AUTHORIZATION OF APPROPRIATIONS

23 “SEC. 391. There are authorized to be appropriated
24 \$40,000,000 for each of the fiscal years 1979, 1980, and
25 1981, to be used by the Secretary of Commerce to assist in

1 the planning and construction of public telecommunications
 2 facilities as provided in this subpart. Sums appropriated
 3 under this subpart for any fiscal year shall remain available
 4 until expended for payment of grants for projects for which
 5 applications approved by the Secretary of Commerce pur-
 6 suant to this subpart have been submitted within such fiscal
 7 year. Sums appropriated under this subpart may be used by
 8 the Secretary to cover the cost of administering the provisions
 9 of this subpart.”.

10 CONSTRUCTION AND PLANNING

11 SEC. 103. (a) Section 392 of the Communications Act
 12 of 1934 is amended to read as follows:

13 “GRANTS FOR CONSTRUCTION AND PLANNING

14 “SEC. 392. (a) For each project for the construction
 15 of public telecommunications facilities there shall be sub-
 16 mitted to the Secretary of Commerce an application for a
 17 grant containing such information with respect to such
 18 project as the Secretary may require, including the total
 19 cost of such project, the amount of the grant requested for
 20 such project, and a five-year plan outlining the applicant's
 21 projected facilities requirements and the projected costs of
 22 such facilities requirements. Each applicant shall also pro-
 23 vide assurances satisfactory to the Secretary that—

24 “(1) the applicant is (A) an entity which is
 25 eligible to be licensed or is licensed by the Federal

1 Communications Commission as a noncommercial edu-
2 cational broadcast station; (B) a system of public broad-
3 cast stations; (C) a nonprofit foundation, corporation,
4 institution, or association organized primarily for educa-
5 tional or cultural purposes; or (D) a State or local
6 government (or any agency thereof), or a political or
7 special purpose subdivision of a State;

8 “(2) the operation of such public telecommuni-
9 cations facilities will be under the control of the appli-
10 cant;

11 “(3) necessary funds to construct, operate, and
12 maintain such public telecommunications facilities will
13 be available when needed;

14 “(4) such public telecommunications facilities will
15 be used only for noncommercial educational or cultural
16 purposes;

17 “(5) the applicant has participated in comprehen-
18 sive planning for such public telecommunications facil-
19 ities in the area which the applicant proposes to serve,
20 and such planning has included an evaluation of alter-
21 nate technologies; and

22 “(6) the applicant will make the most efficient use
23 of the grant.

24 “(b) Upon approving any application under this sec-
25 tion with respect to any project for the construction of

1 public telecommunications facilities, the Secretary of Com-
2 merce shall make a grant to the applicant in the amount
3 determined by the Secretary, except that such amount shall
4 not exceed 75 per centum of the amount determined by the
5 Secretary to be the reasonable and necessary cost of such
6 project.

7 “(c) The Secretary of Commerce may provide such
8 funds as the Secretary deems necessary for the planning of
9 any project for which construction funds may be obtained
10 under this section. An applicant for a planning grant shall
11 provide such information with respect to such project as the
12 Secretary may require and shall provide assurances satisfac-
13 tory to the Secretary that the applicant meets the eligibility
14 requirements of subsection (a) to receive construction assist-
15 ance.

16 “(d) Any studies conducted by or for any grant re-
17 cipient under this section shall be provided to the Secretary
18 of Commerce, if such studies are conducted through the use
19 of funds received under this section.

20 “(e) The Secretary of Commerce shall establish such
21 rules and regulations as may be necessary to carry out this
22 subpart, including rules and regulations relating to the order
23 of priority in approving applications for construction projects
24 and relating to determining the amount of each grant for
25 such projects.

1 “(f) In establishing criteria for grants pursuant to sec-
 2 tion 393 and in establishing procedures relating to the order
 3 of priority established in subsection (e) in approving appli-
 4 cations for grants, the Secretary of Commerce shall give
 5 special consideration to applications which would increase
 6 minority and women’s ownership of, and participation in,
 7 public telecommunications entities. The Secretary shall take
 8 affirmative steps to inform minorities and women of the
 9 availability of funds under this subpart, and the localities
 10 where new public telecommunications facilities are needed,
 11 and to provide such assistance and information as may be
 12 appropriate.

13 “(g) If, within ten years after completion of any proj-
 14 ect for construction of public telecommunications facilities
 15 with respect to which a grant has been made under this
 16 section—

17 “(1) the applicant or other owner of such facil-
 18 ties ceases to be an agency, institution, foundation, cor-
 19 poration, or association described in subsection (a) (1) ;
 20 or

21 “(2) such facilities cease to be used only for non-
 22 commercial public telecommunications purposes (unless
 23 the Secretary determines, in accordance with regulations,
 24 that there is good cause for releasing the applicant or
 25 other owner from the obligation to do so),

1 the United States shall be entitled to recover from the appli-
2 cant or other owner of such facilities the amount bearing the
3 same ratio to the value of such facilities at the time the appli-
4 cant ceases to be such an entity or at the time of such deter-
5 mination (as determined by agreement of the parties or by
6 action brought in the United States district court for the dis-
7 trict in which such facilities are situated), as the amount of
8 the Federal participation bore to the cost of construction of
9 such facilities.

10 “(h) Each recipient of assistance under this subpart
11 shall keep such records as may be reasonably necessary to
12 enable the Secretary of Commerce to carry out the func-
13 tions of the Secretary under this subpart, including records
14 which fully disclose the amount and the disposition by such
15 recipient of the proceeds of such assistance, the total cost
16 of the project in connection with which such assistance is
17 given or used, and the amount and nature of that portion
18 of the cost of the project supplied by other sources, and such
19 other records as will facilitate an effective audit.

20 “(i) The Secretary of Commerce and the Comptroller
21 General of the United States, or any of their duly authorized
22 representatives, shall have access for the purpose of audit
23 and examination to any books, documents, papers, and rec-
24 ords of any recipient of assistance under this subpart that
25 are pertinent to assistance received under this subpart.”

(b) The provisions of section 392 (g) of the Communications Act of 1934, as added by subsection (a), shall apply to any grant made under section 392 of such Act before, on, or after the date of the enactment of this Act. Any authority and responsibilities of the Secretary of Health, Education, and Welfare regarding the administration of such grants are hereby transferred to the Secretary of Commerce.

CRITERIA FOR APPROVAL AND EXPENDITURES

BY SECRETARY OF COMMERCE

SEC. 104. Section 393 of the Communications Act of 1934 is amended to read as follows:

“CRITERIA FOR APPROVAL AND EXPENDITURES

BY SECRETARY OF COMMERCE

“SEC. 393. (a) The Secretary of Commerce, in consultation with the Corporation for Public Broadcasting, noncommercial telecommunications entities, and as appropriate with others, shall establish criteria for making construction and planning grants. Such criteria shall be consistent with the objectives and provisions set forth in this subpart, and shall be made available to interested parties upon request.

“(b) The Secretary of Commerce shall base determinations of whether to approve applications for grants under this subpart, and the amount of such grants, on criteria developed pursuant to subsection (a) and designed to achieve—

1 “(1) the provision of new telecommunications fa-
2 cilities to extend service to areas presently unserved by
3 public broadcasting;

4 “(2) the expansion of the service areas of existing
5 public telecommunications entities;

6 “(3) the development of public telecommunications
7 facilities owned by and available to minorities and
8 women; and

9 “(4) the improvement of the capabilities of exist-
10 ing public broadcast stations to provide educational and
11 cultural services.

12 “(c) Of the funds appropriated pursuant to section 391
13 for any fiscal year, not less than 75 per centum shall be avail-
14 able for the creation of new noncommercial telecommunica-
15 tions entities and for the expansion of the service areas of
16 existing noncommercial telecommunications entities, and
17 preoperational expenses associated with such creation and
18 expansion. In choosing among applicants for grants, the
19 Secretary shall compare the advantages of alternate technol-
20 ogies on the basis of costs and benefits.

21 “(d) Of the funds appropriated pursuant to section 391
22 for any fiscal year, not less than 25 per centum shall be
23 available for the expansion and development of noncommer-
24 cial radio broadcast station facilities.”.

1 LONG-RANGE PLANNING FOR FACILITIES

2 SEC. 105. Section 394 of the Communications Act of
3 1934 is amended to read as follows:

4 “LONG-RANGE PLANNING FOR FACILITIES

5 “SEC. 394. (a) The Secretary of Commerce, in consul-
6 tation with appropriate parties, shall develop a long-range
7 plan to accomplish the objectives set forth in section 390.
8 Such plan shall include a detailed five-year projection of
9 the broadcast and nonbroadcast public telecommunications
10 facilities required to meet such objectives, and the expendi-
11 tures necessary to provide those facilities.

12 “(b) The plan required in subsection (a) shall be up-
13 dated annually, and a summary of the activities of the
14 Secretary of Commerce, in implementing the plan, shall be
15 submitted concurrently to the President and the Congress.”.

16 MISCELLANEOUS PROVISIONS

17 SEC. 106. (a) The heading for part IV of title III of
18 the Communications Act of 1934 is amended to read as
19 follows:

20 “PART IV—ASSISTANCE FOR PUBLIC TELECOMMUNICA-
21 TIONS FACILITIES; TELECOMMUNICATIONS DEMON-
22 STRATIONS; CORPORATION FOR PUBLIC BROADCAST-
23 ING”.

24 (b) The heading for subpart A of part IV of title III of
25 the Communications Act of 1934 is amended to read as
26 follows:

(c) The position of Deputy Assistant Secretary of Commerce for Communications and Information, established in Department of Commerce Organization Order Numbered 10-10 (effective March 26, 1978), shall be compensated at the rate of pay in effect from time to time for level V of the Executive Schedule under section 5316 of title 5, United States Code.

10 TITLE II—TELECOMMUNICATIONS
11 DEMONSTRATIONS

12 ASSISTANCE FOR DEMONSTRATION PROJECTS

13 SEC. 201. Part IV of title III of the Communications
14 Act of 1934 is amended by striking out section 395, by
15 redesignating subpart B and subpart C as subpart C and
16 subpart D, respectively, and by inserting after subpart A
17 the following new subpart:

18 “Subpart B—Telecommunications Demonstrations

19 "ASSISTANCE FOR DEMONSTRATION PROJECTS

20 “SEC. 395. (a) It is the purpose of this subpart to
21 promote the development of nonbroadcast telecommunica-
22 tions facilities and services for the transmission, distribution,
23 and delivery of health, education, and public or social service
24 information. The Secretary is authorized, upon receipt of an
25 application in such form and containing such information as

1 he may by regulation require, to make grants to, and enter
2 into contracts with, public and private nonprofit agencies, or-
3 ganizations, and institutions for the purpose of carrying out
4 telecommunications demonstrations.

5 “(b) The Secretary may approve an application sub-
6 mitted under subsection (a) if he determines—

7 “(1) that the project for which application is made
8 will demonstrate innovative methods or techniques of
9 utilizing nonbroadcast telecommunications equipment or
10 facilities to satisfy the purpose of this subpart;

11 “(2) that demonstrations and related activities as-
12 sisted under this subpart will remain under the adminis-
13 tration and control of the applicant;

14 “(3) that the applicant has the managerial and
15 technical capability to carry out the project for which
16 the application is made; and

17 “(4) that the facilities and equipment acquired or
18 developed pursuant to the application will be used
19 substantially for the transmission, distribution, and
20 delivery of health, education, or public or social service
21 information.

22 “(c) Upon approving any application under this sub-
23 part with respect to any project, the Secretary shall make a
24 grant to or enter into a contract with the applicant in an
25 amount determined by the Secretary not to exceed the rea-

1 sonable and necessary cost of such project. The Secretary
2 shall pay such amount from the sums available therefor, in
3 advance or by way of reimbursement, and in such install-
4 ments consistent with established practice, as he may deter-
5 mine.

6 “(d) Funds made available pursuant to this subpart
7 shall not be available for the construction, remodeling, or
8 repair of structures to house the facilities or equipment
9 acquired or developed with such funds, except that such
10 funds may be used for minor remodeling which is necessary
11 for and incidental to the installation of such facilities or
12 equipment.

13 “(e) For purposes of this section, the term ‘nonbroad-
14 cast telecommunications facilities’ includes, but is not limited
15 to, cable television systems, communications satellite systems
16 and related terminal equipment, and other modes of trans-
17 mitting, emitting, or receiving images and sounds or intelli-
18 gence by means of wire, radio, optical, electromagnetic, or
19 other means.

20 “(f) The funding of any demonstration pursuant to this
21 subpart shall continue for not more than three years from
22 the date of the original grant or contract.

23 “(g) The Secretary shall require that the recipient of
24 a grant or contract under this subpart submit a summary and
25 evaluation of the results of the demonstration at least annually

1 for each year in which funds are received pursuant to this
2 section.

3 “(h) (1) Each recipient of assistance under this sub-
4 part shall keep such records as may be reasonably necessary
5 to enable the Secretary of Health, Education, and Welfare
6 to carry out the Secretary’s functions under this subpart,
7 including records which fully disclose the amount and the
8 disposition by such recipient of the proceeds of such assist-
9 ance, the total cost of the project or undertaking in connec-
10 tion with which such assistance is given or used, and the
11 amount and nature of that portion of the cost of the project
12 or undertaking supplied by other sources, and such other
13 records as will facilitate an effective audit.

14 “(2) The Secretary of Health, Education, and Welfare
15 and the Comptroller General of the United States, or any of
16 their duly authorized representatives, shall have access for
17 the purposes of audit and examination to any books, docu-
18 ments, papers, and records of the recipient that are pertinent
19 to assistance received under this subpart.

20 “(i) The Secretary is authorized to make such rules and
21 regulations as may be necessary to carry out this subpart,
22 including regulations relating to the order of priority in
23 approving applications for projects under this subpart or to
24 determining the amounts of grants for such projects.

25 “(j) The Federal Communications Commission is au-

1 thorized to provide such assistance in carrying out the pro-
2 visions of this subpart as may be requested by the Secretary.
3 The Secretary shall provide for close coordination with the
4 Federal Communications Commission in the administration
5 of his functions under this subpart which are of interest to
6 or affect the functions of the Commission. The Secretary
7 shall provide for close coordination with the Corporation for
8 Public Broadcasting in the administration of his functions
9 under this subpart which are of interest to or affect the func-
10 tions of the Corporation.

11 “(k) There are authorized to be appropriated \$1,000,-
12 000 for the fiscal year ending September 30, 1979, to be
13 used by the Secretary of Health, Education, and Welfare to
14 carry out the provisions of this subpart. Sums appropriated
15 under this subsection for any fiscal year shall remain avail-
16 able for payment of grants or contracts for projects for which
17 applications approved under this subpart have been submitted
18 within one year after the last day of such fiscal year.”.

19 TITLE III—CORPORATION FOR PUBLIC
20 BROADCASTING

21 DECLARATION OF POLICY

22 SEC. 301. Section 396 (a) of the Communications Act
23 of 1934 is amended to read as follows:

24 “SEC. 396. (a) The Congress hereby finds and declares—

25 “(1) that it is in the public interest to encourage

1 the growth and development of public radio and televi-
2 sion broadcasting, including the use of such media for
3 instructional, educational, and cultural purposes;

4 “(2) that expansion and development of public
5 telecommunications and of diversity of its programming
6 depend on freedom, imagination, and initiative on both
7 local and national levels;

8 “(3) that the encouragement and support of public
9 broadcasting, while matters of importance for private
10 and local development, are also of appropriate and im-
11 portant concern to the Federal Government;

12 “(4) that it furthers the general welfare to encour-
13 age public broadcast programming which will be re-
14 sponsive to the interests of people both in particular
15 localities and throughout the United States, and which
16 will constitute an expression of diversity and excellence;

17 “(5) that it is necessary and appropriate for the
18 Federal Government to complement, assist, and support
19 a national policy that will most effectively make public
20 broadcasting available to all the citizens of the United
21 States;

22 “(6) that it is in the public interest to encourage
23 the growth and development of nonbroadcast telecom-

1 munications technologies for the transmission of non-
2 commercial educational and cultural programs and
3 services; and

4 “(7) that a private corporation should be created
5 to facilitate the development of public telecommunica-
6 tions and to afford maximum protection from extraneous
7 interference and control.”.

8 CHAIRMAN OF THE BOARD

9 SEC. 302. Section 396 (d) (1) of the Communications
10 Act of 1934 is amended by striking out “President shall
11 designate one of the members first appointed to the Board:
12 thereafter the”.

13 COMPENSATION OF OFFICERS AND EMPLOYEES

14 SEC. 303. Section 396 (e) (1) of the Communications
15 Act of 1934 is amended by inserting after the first sentence
16 the following new sentence: “No officer or employee of the
17 Corporation may be compensated by the Corporation at an
18 annual rate of pay which exceeds the rate of pay in effect
19 from time to time for level I of the Executive Schedule under
20 section 5312 of title 5, United States Code.”.

21 PURPOSES AND ACTIVITIES OF CORPORATION

22 SEC. 304. Section 396 (g) of the Communications Act
23 of 1934 is amended to read as follows:

1 “Purposes and Activities of Corporation

2 “(g) (1) In order to achieve the objectives and to
3 carry out the purposes of this subpart, as set out in sub-
4 section (a) of this section, the Corporation may—

5 “(A) facilitate the full development of public tele-
6 communications in which programs of high quality, diver-
7 sity, creativity, excellence, and innovation, which are
8 obtained from diverse sources, will be made available
9 to public television or radio broadcast stations and non-
10 commercial telecommunications entities, with strict ad-
11 herence to objectivity and balance in all programs or
12 series of programs of a controversial nature;

13 “(B) assist in the establishment and development
14 of one or more interconnection systems to be used for
15 the distribution of public television or radio programs so
16 that all public television or radio broadcast stations and
17 noncommercial telecommunications entities may dissemi-
18 nate the programs at times chosen by the stations or
19 entities;

20 “(C) assist in the establishment and development
21 of one or more systems of public broadcast stations and
22 noncommercial telecommunications entities throughout
23 the United States; and

24 “(D) carry out its purposes and functions and en-
25 gage in its activities in ways that will most effectively

1 assure the maximum freedom of the public television
2 or radio broadcast systems and local stations and non-
3 commercial telecommunications entities from interference
4 with, or control of, program content or other activities.

5 “(2) In order to carry out the purposes set forth in
6 subsection (a) of this section, the Corporation may—

7 “(A) obtain grants from and make contracts with
8 individuals and with private, State, and Federal agen-
9 cies, organizations, and institutions;

10 “(B) contract with or make grants to national,
11 regional, and other systems of public broadcast stations,
12 public broadcast stations, noncommercial telecommunica-
13 tions entities, and independent producers and production
14 entities for the production or acquisition of public tele-
15 vision or radio programs for national or regional non-
16 commercial distribution, except that (i) to the maximum
17 extent possible, proposals for the provision of assistance
18 by the Corporation in the production or acquisition of
19 programs or series of programs shall be evaluated on the
20 basis of comparative merit by panels of outside experts,
21 representing diverse interests and perspectives, ap-
22 pointed by the Corporation; and (ii) nothing in this
23 subparagraph shall be construed to prohibit the exercise
24 by the Corporation of its prudent business judgment with
25 respect to any contract or grant to assist in the produc-

1 tion or acquisition of any program or series of programs
2 recommended by any such panel;

3 “(C) make payments to existing and new public
4 broadcast stations and noncommercial telecommunica-
5 tions entities to aid in financing noncommercial televi-
6 sion and radio programing costs of such stations and
7 entities, particularly innovative approaches thereto, and
8 other costs of operation of such stations and entities;

9 “(D) establish and maintain a library and archives
10 of public television or radio programs and related ma-
11 terials and develop public awareness of, and disseminate
12 information about, public television or radio services by
13 various means, including the publication of a journal;

14 “(E) arrange, by grant to or contract with ap-
15 propriate public or private agencies, organizations, or
16 institutions, for interconnection facilities suitable for dis-
17 tribution and transmission of educational and cultural
18 television or radio programs and services to public broad-
19 cast stations and noncommercial telecommunications
20 entities;

21 “(F) hire or accept the voluntary services of con-
22 sultants, experts, advisory boards, and panels to aid the
23 Corporation in carrying out the purposes of this subpart;

24 “(G) conduct (directly or through grants or con-
25 tracts) research, demonstrations, or training in matters

1 related to public television or radio broadcasting and
2 the use of nonbroadcast communications technologies
3 for the dissemination of noncommercial educational and
4 cultural television or radio programs;

5 “(H) make grants or contracts for the use of non-
6 broadcast telecommunications technologies for the dis-
7 semination of noncommercial television or radio pro-
8 grams, except that any such contracts entered into
9 shall be effective only to the extent or in such amounts
10 as are provided in advance in appropriation Acts; and

11 “(I) take such other actions as may be necessary
12 to accomplish the purposes set forth in subsection (a)
13 of this section.

14 “(3) To carry out the foregoing purposes and engage
15 in the foregoing activities, and consistent with the provi-
16 sions of this subpart, the Corporation shall have the usual
17 powers conferred upon a nonprofit corporation by the
18 District of Columbia Nonprofit Corporation Act, except that
19 the Corporation is prohibited from—

20 “(A) owning or operating any television or radio
21 broadcast station, system, or network, community an-
22 tenna television system, interconnection system or
23 facility, program production facility, or any public
24 telecommunications entity, system, or network; and

1 “(B) producing, acquiring, scheduling, or distribut-
2 ing programs.

3 “(4) All meetings of the Board of Directors of the
4 Corporation shall be open to the public under such terms,
5 conditions, and exceptions as are set forth in subsection (k)
6 (4) of this section.

7 “(5) (A) The Corporation, in consultation with public
8 broadcast stations, shall undertake a study to determine the
9 manner in which the personal services of volunteers should
10 be included in determining the level of non-Federal financial
11 support pursuant to subsection (k) (2) (A). The study shall
12 include an examination of any fiscal, administrative, or other
13 factors which should be taken into account in determining the
14 manner in which such services should be so included.

15 “(B) The Corporation shall submit a report to the Con-
16 gress containing the results of such study no later than 120
17 days after the effective date of this paragraph.

18 “(6) The Corporation, in consultation with interested
19 parties, shall create a five-year plan for the development of
20 public television and radio programs and services. Such plan
21 shall be updated annually by the Corporation.”.

22 INTERCONNECTION SERVICE

23 SEC. 305. Section 396 (h) of the Communications Act
24 of 1934 is amended to read as follows:

1 “Interconnection Service

2 “(h) (1) Nothing in this Act, or in any other provision
3 of law, shall be construed to prevent United States communi-
4 cations common carriers from rendering free or reduced rate
5 communications interconnection services for public television
6 or radio services, subject to such rules and regulations as the
7 Federal Communications Commission may prescribe.

8 “(2) Public telecommunications entities shall have pri-
9 ority for the use of interconnection systems for which funds
10 authorized in this part are expended. Capacity remaining
11 after such priority use shall be made available to other per-
12 sons for the transmission of noncommercial educational and
13 cultural programs, and information relating to such programs
14 to public telecommunications entities. The Corporation, in
15 consultation with the persons responsible for managing the
16 interconnection systems, shall establish reasonable terms and
17 conditions governing the use of the interconnection systems
18 by persons other than public telecommunications entities,
19 except that (A) no such person shall be denied access when-
20 ever sufficient capacity is available; and (B) any charge
21 made for such use shall not exceed any cost which is directly
22 attributable to transmitting the material.”.

23 ANNUAL REPORT TO CONGRESS

24 SEC. 306. Section 396 (i) of the Communications Act
25 of 1934 is amended to read as follows:

“Report to Congress

“(i) (1) The Corporation shall submit an annual report for the preceding fiscal year ending September 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include—

“(A) a comprehensive and detailed report of the Corporation’s operations, activities, financial condition, and accomplishments under this subpart and such recommendations as the Corporation deems appropriate;

“(B) a comprehensive and detailed inventory of funds distributed by Federal agencies to public broadcasting and noncommercial telecommunications entities during the preceding fiscal year; and

“(C) the summary of the annual report provided to the Secretary of Health, Education, and Welfare pursuant to section 398 (b) (4).

“(2) The officers and directors of the Corporation shall be available to testify before appropriate committees of the Congress with respect to such report, the report of any audit made by the Comptroller General pursuant to section 396 (l), or any other matter which such committees may determine.”.

FINANCING; OPEN MEETINGS AND FINANCIAL RECORDS

SEC. 307. Section 396 (k) of the Communications Act of 1934 is amended to read as follows:

1 “Financing; Open Meetings and Financial Records

2 “(k) (1) (A) There is hereby established in the Treas-
3 ury a fund which shall be known as the Public Broadcasting
4 Fund (hereinafter in this subsection referred to as the
5 ‘Fund’), to be administered by the Secretary of the
6 Treasury.

7 “(B) There is authorized to be appropriated to the
8 Fund, for each of the fiscal years 1978, 1979, and 1980,
9 an amount equal to 40 per centum of the total amount of
10 non-Federal financial support received by public broad-
11 casting entities during the fiscal year second preceding each
12 such fiscal year, except that the amount so appropriated
13 shall not exceed \$121,000,000 for fiscal year 1978, \$140,-
14 000,000 for fiscal year 1979, and \$160,000,000 for fiscal
15 year 1980.

16 “(C) There is authorized to be appropriated to the
17 Fund, for each of the fiscal years 1981, 1982, and 1983,
18 an amount equal to 50 per centum of the total amount of
19 non-Federal financial support received by public broadcast-
20 ing entities during the fiscal year second preceding each such
21 fiscal year, except that the amount so appropriated shall not
22 exceed \$180,000,000 for fiscal year 1981, \$200,000,000 for
23 fiscal year 1982, and \$220,000,000 for fiscal year 1983.

24 “(D) Funds appropriated under this subsection shall
25 remain available until expended.

1 “(2) (A) The funds authorized to be appropriated by
2 this subsection shall be used by the Corporation, in a pru-
3 dent and financially responsible manner, solely for its grants,
4 contracts, and administrative costs, except that the Corpora-
5 tion may not use any funds appropriated under this subpart
6 for purposes of conducting any reception, or providing any
7 other entertainment, for any officer or employee of the Fed-
8 eral Government or any State or local government. The
9 Corporation shall determine the amount of non-Federal fi-
10 nancial support received by public broadcasting entities
11 during each of the fiscal years referred to in paragraph (1)
12 for the purpose of determining the amount of each authoriza-
13 tion, and shall certify such amount to the Secretary of the
14 Treasury, except that the Corporation may include in its
15 certification non-Federal financial support received by a
16 public broadcasting entity during its most recent fiscal year
17 ending before September 30 of the year for which certifica-
18 tion is made. Upon receipt of such certification, the Secretary
19 of the Treasury shall make available to the Corporation,
20 from such funds as may be appropriated to the Fund, the
21 amount authorized for each of the fiscal years pursuant to the
22 provisions of this subsection.

23 “(B) Funds appropriated and made available under
24 this subsection shall be disbursed by the Secretary of the
25 Treasury on a quarterly basis, in such amounts as the Cor-

1 poration certifies will be necessary to meet its financial obli-
2 gations in the succeeding quarter.

3 “(3) (A) The Corporation shall reserve for distribu-
4 tion among the licensees and permittees of public television
5 and radio stations an amount equal to (i) not less than 40
6 per centum of the funds disbursed by the Corporation from
7 the Fund under this section in each fiscal year in which
8 the amount disbursed is \$88,000,000 or more, but less than
9 \$121,000,000; (ii) not less than 45 per centum of such funds
10 in each fiscal year in which the amount disbursed is \$121,-
11 000,000 or more, but less than \$160,000,000; and (iii)
12 not less than 50 per centum of such funds in each fiscal year
13 in which the amount disbursed is \$160,000,000 or more.

14 “(B) (i) The Corporation shall establish an annual
15 budget according to which it shall make grants and contracts
16 for production of public television or radio programs by inde-
17 pendent producers and production entities and public tele-
18 communications entities, for acquisition of such programs by
19 public telecommunications entities, for interconnection facili-
20 ties and operations, for distribution of funds among non-
21 commercial telecommunications entities, for provision of
22 assistance to public telecommunications entities to improve
23 management and train personnel, for engineering and pro-
24 gram-related research, and for the enhancement of instruc-
25 tional and educational television and radio services. A sig-

1 nificant portion of funds available under the budget estab-
2 lished by the Corporation under this subparagraph shall
3 be used for funding the production of television and radio
4 programs. Of such portion, a substantial amount shall be
5 reserved for distribution to independent producers and
6 production entities for the production of programs.

7 “(ii) All funds contained in such budget shall be dis-
8 tributed to entities outside the Corporation and shall not be
9 used for the general administrative costs of the Corporation,
10 the salaries or related expenses of Corporation personnel and
11 members of the Board, or for expenses of consultants and
12 advisers to the Corporation. During each of the fiscal years
13 1981, 1982, and 1983, such budget shall consist of not less
14 than 95 per centum of the funds made available to the Cor-
15 poration pursuant to paragraph (1) (C) of this subsection.

16 “(iii) In determining the amount of funds which shall be
17 made available for radio programing and operations under
18 this subparagraph, the Corporation shall take into account
19 the increased financial needs relating to radio programing and
20 operations resulting from the expansion and development of
21 noncommercial radio broadcast station facilities through the
22 use of funds made available pursuant to section 393 (d).

23 “(C) In fiscal year 1981, the Corporation may expend
24 an amount equal to not more than 5 per centum of the
25 funds made available during such fiscal year pursuant to

1 paragraph (1) (C) of this subsection for those activities
2 authorized under subsection (g) (2) which are not among
3 those grant activities described in subparagraph (B).

4 “(D) In fiscal years 1982 and 1983, the amount which
5 the Corporation may expend for activities authorized under
6 subsection (g) (2) which are not among those grant activi-
7 ties described in subparagraph (B) shall be 105 per centum
8 of the amount derived for the preceding fiscal year.

9 “(4) Funds may not be distributed pursuant to this sub-
10 section to the Public Broadcasting Service or National Public
11 Radio (or any successor organization), or to the licensee or
12 permittee of any public broadcast station, unless the govern-
13 ing body of any such organization, any committee of such
14 governing body, or any advisory body of any such organiza-
15 tion, holds open meetings preceded by reasonable notice to
16 the public. All persons shall be permitted to attend any meet-
17 ing of the board, or of any such committee or body, and no
18 member of the public shall be required, as a condition to
19 attendance at any such meeting, to register his or her name
20 or to provide any other information. Nothing contained in
21 this paragraph shall be construed to prevent any such board,
22 committee, or body from holding closed sessions to consider
23 personnel matters, pending or proposed litigation, labor nego-
24 tiations, contract negotiations, the development of proposed
25 or pending competitive proposals for grants or contracts, trade

1 secrets, or commercial or financial information obtained from
2 a person on a privileged or confidential basis. If any such
3 meeting is closed pursuant to the provisions of this paragraph,
4 the organization involved shall make available to the public a
5 written statement containing—

6 “(A) an explanation of the reasons for closing the
7 meeting, including a general description of the subject
8 matter of the meeting; and

9 “(B) a list of the individuals who attended the
10 meeting, including an identification of any organization
11 represented by any such individual.

12 “(5) Funds may not be distributed pursuant to this
13 subsection to the licensee or permittee of any public broad-
14 cast station that does not maintain for public examination
15 copies of the annual financial and audit reports submitted
16 to the Corporation pursuant to subsection (1) (3) (B).

17 “(6) (A) The Corporation, in consultation with public
18 television and radio licensees, shall establish and review
19 annually the percentage of funds reserved pursuant to para-
20 graph (3) (A), and the criteria and conditions regarding
21 the division and distribution of such funds among public
22 television and radio stations.

23 “(B) The funds reserved for public broadcast stations
24 pursuant to paragraph (3) (A) shall be divided into two
25 portions, one to be distributed among radio stations and one

1 to be distributed among television stations. The Corporation
2 shall make a basic grant from the portion reserved for tele-
3 vision stations to each licensee and permittee of a public
4 television station that is on the air. The balance of the por-
5 tion reserved for television stations and the total portion
6 reserved for radio stations shall be distributed to licensees
7 and permittees of such stations in accordance with eligibility
8 criteria that promote the public interest in public broad-
9 casting, and on the basis of criteria designed to—

10 “(i) provide for the financial needs and require-
11 ments of stations in relation to the communities and
12 audiences such stations undertake to serve;

13 “(ii) maintain existing, and stimulate new, sources
14 of non-Federal financial support for stations by provid-
15 ing incentives for increases in such support;

16 “(iii) assure that each eligible licensee and per-
17 mittee of a public radio station receives a basic grant;

18 “(iv) encourage innovative approaches, both tech-
19 nical and programming, to reaching new audiences;

20 “(v) encourage responsiveness to the community
21 served by each station;

22 “(vi) encourage cost efficiencies, particularly in in-
23 creasing programming expenditures in relation to admin-
24 istrative costs;

25 “(vii) encourage programs to train women and

1 minorities and to increase their participation in public
2 broadcasting; and

3 “(viii) encourage the use of volunteers by stations.

4 “(7) No distribution of funds pursuant to this subsec-
5 tion shall exceed, in any fiscal year, 50 per centum of a li-
6 censee’s or permittee’s total non-Federal financial support
7 during the fiscal year second preceding the fiscal year in
8 which such distribution is made.

9 “(8) The funds distributed to each public television
10 and public radio station pursuant to paragraph (3) (A)
11 may be used at the discretion of the recipient for purposes
12 relating to the provision of public television and radio pro-
13 gramming, including, but not limited to—

14 “(A) producing, acquiring, broadcasting, or other-
15 wise disseminating public television or radio programs;

16 “(B) procuring national or regional programs dis-
17 tribution services that make public television or radio
18 programs available for broadcast or other dissemination
19 at times chosen by stations;

20 “(C) acquiring, replacing, or maintaining facilities,
21 and real property used with facilities, for the production,
22 broadcast, or other dissemination of public television and
23 radio programs; and

24 “(D) developing and using nonbroadcast communi-

1 cations technologies for public television or radio pro-
2 gramming purposes.

3 “(9) (A) Any public broadcast station which desires
4 to receive funds under this subpart shall establish a commu-
5 nity advisory board. The membership of the board shall, to
6 the maximum extent feasible, be composed of individuals who
7 are representative of the communities served by the station.

8 “(B) The board shall be permitted to review the pro-
9 gramming goals established by the station, the service pro-
10 vided by the station, and the significant policy decisions
11 rendered by the station. The Board may also be delegated
12 any other responsibilities, as determined by the governing
13 body of the station. The board shall advise the governing
14 body of the station with respect to whether the programming
15 and other policies of such station are meeting the specialized
16 educational and informational needs of the communities
17 served by the station, and may make such recommendations
18 as it considers appropriate to meet such needs.

19 “(C) The role of the board shall be solely advisory in
20 nature, except to the extent other responsibilities are dele-
21 gated to the board by the governing body of the station.
22 In no case shall the board have any authority to exercise
23 any control over the daily management or operation of the
24 station.

1 “(D) In the case of any public broadcasting station in
 2 existence on the effective date of this paragraph, such station
 3 shall comply with the requirements of this paragraph with
 4 respect to the establishment of a community advisory board
 5 not later than 180 days after such effective date.

6 “(10) Funds may not be distributed pursuant to this
 7 subsection to the Public Broadcasting Service or National
 8 Public Radio (or any successor organization) unless assur-
 9 ances are provided that no officer or employee of the Public
 10 Broadcasting Service or National Public Radio (or any suc-
 11 cessor organization), as the case may be, will be compensated
 12 at an annual rate of pay which exceeds the rate of pay in
 13 effect from time to time for level I of the Executive Schedule
 14 under section 5312 of title 5, United States Code.”.

15 FINANCIAL MANAGEMENT AND RECORDS

16 SEC. 308. Section 396 (1) (3) of the Communications
 17 Act of 1934 is amended to read as follows:

18 “(3) (A) The Corporation, in consultation with the
 19 General Accounting Office, the Financial Accounting Stand-
 20 ards Board, and as appropriate with others, shall develop a
 21 uniform system of accounts which shall be used by all public
 22 broadcast licensees or permittees receiving funds under this
 23 subpart. Such system shall be designed to account fully for all
 24 funds received and expended for public broadcasting pur-
 25 poses by such licensees or permittees. Nothing contained in

1 this paragraph shall prevent the Corporation from adopting
2 different classes of accounting systems that may be appro-
3 priate to different classes of licensees or permittees.

4 “(B) Each noncommercial broadcast licensee or per-
5 mittee receiving funds under this subpart shall be required—

6 “(i) to keep its books, records, and accounts in
7 such form as may be required by the Corporation;

8 “(ii) to undergo an annual audit by independent
9 certified public accountants or independent licensed
10 public accountants certified or licensed by a regulatory
11 authority of a State, which audit shall be in accordance
12 with auditing standards developed by the Corporation,
13 in consultation with the General Accounting Office; and

14 “(iii) to furnish annually to the Corporation a copy
15 of the audit report required pursuant to clause (ii), as
16 well as such other information regarding financial opera-
17 tions that the Corporation may require.

18 “(C) Any recipient of assistance by grant or contract
19 under this section, other than a fixed price contract awarded
20 pursuant to competitive bidding procedures, shall keep such
21 records as may be reasonably necessary to disclose fully the
22 amount and the disposition by such recipient of such as-
23 sistance, the total cost of the project or undertaking in con-
24 nection with which such assistance is given or used, and
25 the amount and nature of that portion of the cost of the

1 project or undertaking supplied by other sources, and such
2 other records as will facilitate an effective audit.

3 “(D) The Corporation or any of its duly authorized
4 representatives shall have access for the purpose of audit and
5 examination to any books, documents, papers, and records
6 of any recipient of assistance that are related to assistance
7 received under this section. The Comptroller General of the
8 United States or any of his duly authorized representatives
9 shall also have access thereto for such purpose during any
10 fiscal year for which Federal funds are available to the
11 Corporation.”.

12 EQUAL EMPLOYMENT OPPORTUNITY

13 SEC. 309. Section 398 of the Communications Act of
14 1934 is amended to read as follows:

15 “FEDERAL INTERFERENCE OR CONTROL PROHIBITED;

16 EQUAL EMPLOYMENT OPPORTUNITY

17 “SEC. 398. (a) Nothing contained in this part shall be
18 deemed (1) to amend any other provision of, or require-
19 ment under, this Act; or (2) except to the extent authorized
20 in subsection (b), to authorize any department, agency,
21 officer, or employee of the United States to exercise any
22 direction, supervision, or control over public telecommunica-
23 tions, or over the Corporation or any of its grantees or con-
24 tractors, or over the charter or bylaws of the Corporation,
25 or over the curriculum, program of instruction, or personnel

1 of any educational institution, school system, or public tele-
2 communications entity.

3 “(b) (1) Equal opportunity in employment shall be
4 afforded to all persons by all public telecommunications en-
5 tities receiving funds pursuant to subpart C (hereinafter
6 in this subsection referred to as ‘recipients’), and no person
7 shall be subjected to discrimination in employment (includ-
8 ing discrimination in connection with appointments to gov-
9 erning or advisory bodies) by any such recipient on the
10 grounds of race, color, religion, national origin, or sex.

11 “(2) The Secretary of Health, Education, and Welfare
12 is authorized and directed to enforce this subsection and
13 to prescribe such rules and regulations as may be necessary
14 to carry out the Secretary’s functions under this subsection.

15 “(3) (A) The Corporation shall incorporate into each
16 grant agreement or contract with any recipient entered into
17 on or after the effective date of the rules and regulations pre-
18 scribed by the Secretary of Health, Education, and Welfare
19 pursuant to paragraph (2), a statement indicating that, as
20 a material part of the terms and conditions of the grant
21 agreement or contract, the recipient will comply with the
22 provisions of paragraph (1) and the rules and regulations
23 prescribed pursuant to paragraph (2). Any public or non-
24 commercial telecommunications entity which desires to re-
25 ceive funds under subpart C shall, before receiving any such

1 funds, provide to the Corporation any information which the
2 Corporation may require to satisfy itself that such entity is
3 affording equal opportunity in employment in accordance
4 with the requirements of this subsection.

5 “(B) If the Corporation is not satisfied that such entity
6 is affording equal opportunity in employment in accordance
7 with the requirements of this subsection, the Corporation
8 shall notify the Secretary, and the Secretary shall review the
9 matter and make a final determination regarding whether
10 such entity is affording equal opportunity in employment.
11 In any case in which the Secretary conducts a review under
12 the preceding sentence, the Corporation shall make funds
13 available to the entity involved pursuant to the grant appli-
14 cation of such entity (if the Corporation would have ap-
15 proved such application but for the finding of the Corporation
16 under this paragraph) pending a final determination of the
17 Secretary upon completion of such review. The Corporation
18 shall monitor the equal employment opportunity practices of
19 each recipient throughout the duration of the grant or con-
20 tract.

21 “(4) Based upon its responsibilities under paragraph
22 (3), the Corporation shall provide an annual report for the
23 preceding fiscal year ending September 30 to the Secretary
24 of Health, Education, and Welfare on or before the 31st day
25 of December of each year. The report shall contain informa-

1 tion in the form required by the Secretary in order to deter-
2 mine whether recipients are in compliance with paragraph
3 (1). The Corporation shall submit a summary of such report
4 to the President and the Congress as part of the report re-
5 quired in section 396 (i). The Corporation shall provide
6 other information in the form and with any analysis which
7 the Secretary may require in order to carry out the Secre-
8 tary's functions under this subsection.

9 “(5) Whenever the Secretary of Health, Education,
10 and Welfare makes a final determination, pursuant to the
11 rules and regulations which the Secretary shall prescribe,
12 that a recipient is not in compliance with paragraph (1),
13 the Secretary shall, within 10 days after such determina-
14 tion, notify the recipient in writing of such determination
15 and request the recipient to secure compliance. Unless the
16 recipient within 120 days after receipt of such written
17 notice—

18 “(A) demonstrates to the Secretary that the viola-
19 tion has been corrected; or

20 “(B) enters into a compliance agreement approved
21 by the Secretary;

22 the Secretary shall direct the Corporation to reduce or sus-
23 pend any further payments of funds under this part to
24 the recipient and the Corporation shall comply with such
25 directive. Resumption of payments shall take place only

1 when the Secretary certifies to the Corporation that the
 2 recipient has entered into compliance agreement approved
 3 by the Secretary. A recipient whose funds have been re-
 4 duced or suspended may apply at any time to the Secretary
 5 for such certification.”.

6 TITLE IV—GENERAL PROVISIONS

7 DEFINITIONS

8 SEC. 401. Section 397 of the Communications Act of
 9 1934 is amended to read as follows:

10 “DEFINITIONS

11 “SEC. 397. For the purposes of this part—

12 “(1) The term ‘construction’, as applied to public tele-
 13 communications facilities, means acquisition (including ac-
 14 quisition by lease), installation, and modernization of public
 15 telecommunications facilities and planning and preparatory
 16 steps incidental thereto.

17 “(2) The term ‘Corporation’ means the Corporation
 18 for Public Broadcasting authorized to be established in sub-
 19 part C of this part.

20 “(3) The term ‘interconnection system’ means any sys-
 21 tem of interconnection facilities used for the distribution of
 22 programs (which may include the selection and scheduling
 23 of programs for such distribution) to public telecommunica-
 24 tions entities.

25 “(4) The term ‘meeting’ means the deliberations of at

1 least the number of members of a governing or advisory
2 body, or any committee thereof, required to take action on
3 behalf of such body or committee where such deliberations
4 determine or result in the joint conduct of disposition of the
5 governing or advisory body's business, or the committee's
6 business, as the case may be, but only to the extent that
7 such deliberations relate to public broadcasting.

8 “(5) The terms ‘noncommercial educational broadcast
9 station’ and ‘public broadcast station’ means a television or
10 radio broadcast station which (A) under the rules and regu-
11 lations of the Federal Communications Commission in effect
12 on the date of the enactment of the Public Telecommunica-
13 tions Financing Act of 1978 is eligible to be licensed by the
14 Commission as a noncommercial educational radio or televi-
15 sion broadcast station and which is owned and operated by
16 a public agency or nonprofit private foundation, corporation,
17 or association; or (B) is owned and operated by a mu-
18 nicipality and which transmits only noncommercial pro-
19 grams for educational purposes.

20 “(6) The term ‘noncommercial telecommunications en-
21 tity’ means any enterprise which (A) is owned and operated
22 by a State, a political or special purpose subdivision of a
23 State, a public agency or nonprofit private foundation, corpo-
24 ration, or association; and (B) has been organized primarily
25 for the purpose of distributing noncommercial educational or

1 cultural audio or video programs by means of television or
2 radio or other telecommunications technology, including, but
3 not limited to, coaxial cable, optical fiber, broadcast transla-
4 tors, cassettes, discs, microwave, or laser transmission through
5 the atmosphere.

6 “(7) The term ‘nonprofit’, as applied to any founda-
7 tion, corporation, or association, means a foundation, cor-
8 poration, or association, no part of the net earnings of which
9 inures, or may lawfully inure, to the benefit of any private
10 shareholder or individual.

11 “(8) The term ‘non-Federal financial support’ means
12 the total value of cash and the fair market value of property
13 and services (including, to the extent provided in the second
14 sentence of this paragraph, the personal services of volun-
15 teers) received—

16 “(A) as gifts, grants, bequests, donations, or other
17 contributions for the construction or operation of non-
18 commercial educational broadcast stations, or for the
19 production, acquisition, distribution, or dissemination of
20 educational television or radio programs, and related
21 activities, from any source other than (i) the United
22 States or any agency or establishment thereof; or (ii)
23 any public broadcasting entity; or

24 “(B) as gifts, grants, donations, contributions, or

1 payments from any State, or any educational institution,
2 for the construction or operation of noncommercial edu-
3 cational broadcast stations or for the production, acquisi-
4 tion, distribution, or dissemination of educational televi-
5 sion or radio programs, or payments in exchange for
6 services or materials respecting the provisions of educa-
7 tional or instructional television or radio programs.

8 Such term includes the fair market value of personal services
9 of volunteers but only with respect to such services provided
10 to public telecommunications entities and only, with respect
11 to such an entity in a fiscal year, to the extent that the value
12 of the services does not exceed 5 percent of the total non-
13 Federal financial support of the entity in that fiscal year.

14 “(9) The term ‘pre-operational expenses’ means all non-
15 construction costs incurred by new telecommunications en-
16 tities before the date on which they begin providing service
17 to the public, and all nonconstruction costs associated with
18 expansion of existing entities before the date on which such
19 expanded capacity is activated, except that such expenses
20 shall not include any portion of the salaries of any per-
21 sonnel employed by an operating broadcasting station or
22 other telecommunications entity.

23 “(10) The term ‘public broadcasting entity’ means the
24 Corporation, any licensee or permittee of a public broadcast

1 station, or any nonprofit institution engaged primarily in the
2 production, acquisition, distribution, or dissemination of edu-
3 cational television or radio programs.

4 “(11) The term ‘public telecommunications entity’
5 means any enterprise which (A) is a public broadcasting
6 station or a noncommercial telecommunications entity; (B)
7 receives funds from the Corporation under section 396 (k) ;
8 and (C) distributes public television or radio program serv-
9 ices to the public.

10 “(12) The term ‘public telecommunications facilities’
11 means apparatus necessary for production, interconnection,
12 captioning, broadcast, or other distribution of programming,
13 including, without limitation, studio equipment, cameras,
14 microphones, audio and video storage or reproduction equip-
15 ment or both, signal processors and switchers, towers, anten-
16 nas, transmitters, translators, microwave equipment, mobile
17 equipment, satellite communications equipment, instructional
18 television fixed service equipment, subsidiary communica-
19 tions authorization transmitting and receiving equipment,
20 cable television equipment, video and audio cassettes and
21 discs, optical fiber communications equipment, and other
22 means of transmitting, emitting, storing, and receiving im-
23 ages and sounds, or intelligence, except that such term shall
24 not include the buildings to house such apparatus, with the
25 exception of small equipment shelters which are part of

1 satellite earth stations, translators, microwave intercon-
 2 tion facilities, and similar facilities.

3 “(13) The term ‘public telecommunications services’
 4 means noncommercial educational and cultural radio and
 5 television programs, and, in addition, other noncommercial
 6 instructional or informational material that may be trans-
 7 mitted by means of electronic communications.

8 “(14) The term ‘State’ includes the District of Colum-
 9 bia, the Commonwealth of Puerto Rico, the Virgin Islands,
 10 Guam, American Samoa, and the Trust Territory of the
 11 Pacific Islands.

12 “(15) The term ‘system of public broadcast stations’
 13 means any two or more public television or radio stations
 14 acting cooperatively, on a formal or informal basis, either
 15 to produce, acquire, or distribute programs, or to undertake
 16 programming and related activities.”.

17 CANDIDATES FOR POLITICAL OFFICE

18 SEC. 402. Section 399 of the Communications Act of
 19 1934 is amended to read as follows:

20 “CANDIDATES FOR POLITICAL OFFICE

21 “SEC. 399. No public telecommunications entity may
 22 support or oppose any candidate for political office.”.

23 EFFECTIVE DATES

24 SEC. 403. The provisions of this Act, and the amend-
 25 ments made by this Act, shall take effect on October 1, 1978,

1 except that the amendments made by sections 102 and 201,
2 and the provisions of section 396 (k) (1) of the Communica-
3 tions Act of 1934 (as amended by section 307), shall take
4 effect on the date of the enactment of this Act.

Passed the House of Representatives July 10, 1978.

Attest: EDMUND L. HENSHAW, JR.,
Clerk.

Calendar No. 903

95TH CONGRESS
2D SESSION

H. R. 12605

AN ACT

To amend the Communications Act of 1934 to extend and improve the provisions of such Act relating to long-term financing for the Corporation for Public Broadcasting and relating to certain grant programs for public telecommunications, and for other purposes.

JULY 11 (legislative day, MAY 17), 1978
Received ; ordered to be placed on the calendar